Kakalec & Schlanger, LLP
DEDICATED TO MARKETPLACE JUSTICE

April 18, 2017

VIA ECF

Hon. Lawrence E. Kahn
U.S. District Court Judge, N.D.N.Y.
James T. Foley U.S. Courthouse
445 Broadway - 4th Floor
Albany, NY 12207

Re: *Miranda v. CACH LLC, et al.*
Index: 15-cv-0627 (LEK/DJS)

Your Honor:

My firm is co-counsel for Plaintiff in the above reference class action, brought pursuant to the Fair Debt Collection Practices Act, 15 U.S.C. §§ 1692, *et seq.* and state law.

I write to inform the Court with regard to settlement of this matter and with regard to the recently filed Suggestion of Bankruptcy on March 23, 2017 by Defendants CACH, LLC ("CACH") and SquareTwo Financial Corp. ("SquareTwo"). ECF Doc. 60. Please note that this status update is not an attempt to move forward with the litigation as against CACH, LLC ("CACH") and SquareTwo Financial Corp. ("SquareTwo"). Rather, Plaintiff wishes: (a) to update the Court regarding the status of the case at bar, including its settlement in principle; and (b) jointly request, on behalf of Plaintiff and the non-bankrupcy-filing Defendants that discovery in this matter be held in abeyance in light of recent developments.

I. Status

Just prior the filing of the Suggestion of Bankruptcy, the parties had reached a settlement in principle of this matter on a class basis and had worked through and agreed upon all language in the Settlement Agreement. Pursuant to the settlement terms agreed upon by the parties, all funds for the settlement are to be paid by Defendant Daniels, Norelli, Scully & Cecere, P.C., *i.e.* CACH and SquareTwo are not responsible for any portion of the settlement amounts under the Settlement Agreement. The parties were in the process of working through the ancillary documents (proposed class notice, proposed preliminary and final orders, etc.) that were to be attached to the Settlement Agreement when CACH and SquareTwo filed for bankruptcy.

A day or two prior to the filing of the Suggestion of Bankruptcy (but after the filing of the bankruptcy proceeding was public), I spoke with counsel for CACH and SquareTwo in the case at bar, who informed me that he needed to confer with his clients' bankruptcy counsel prior to taking a formal position with regard to how resolution of this matter should proceed but thought that CACH and SquareTwo were not likely to oppose lifting the bankruptcy stay for the limited purpose of finalizing a settlement pursuant to which they were not obligated to make payments.

Daniel A. Schlanger
dschlanger@kakalec-schlanger.com
T: (212) 500-6114
F: (646) 612-7996

85 Broad Street
18th Floor
New York, NY 10004
www.kakalec-schlanger.com

CACH and SquareTwo's counsel indicated at that time that he expected to have confirmation in that regard in approximately a week. That was approximately four weeks ago. Since that time, I have repeatedly followed up via email and phone (e.g. on April 5, April 7 and April 13), but have received no response.

Plaintiff proposes to advise the court on or before May 5 as to whether CACH and SquareTwo have confirmed their intention to consent to a lifting of the automatic stay for purposes of finalizing the instant settlement (under which they have no payment obligations).

II. Joint Request On Behalf Of All Parties Except SquareTwo and CACH That All Discovery And Other Deadlines Be Stayed In Light Of Settlement

In light of the settlement developments set forth above, Plaintiff also respectfully requests -- on behalf of all parties but for CACH and SquareTwo -- that all discovery and other deadlines in this matter that are not automatically stayed by reason of the bankruptcy be held in abeyance by this Court.

Respectfully,

/s/Daniel A. Schlanger

Daniel A. Schlanger

cc: all counsel of record